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TORONTO STOCK EXCHANGE

FILING STATEMENT No. 162.
ACCEPTED FOR FILING, SEPTEMBER 18th, 1958.

ASAMERA OIL CORPORATION LTD.

Full corporate name of Company
Incorporated under Chapter 79 of the Revised Statutes of
Canada 1906 by Letters Patent dated 12th May, 1925.

Particulars of incorporation (e.g., Incorporated under Part IV of The Corporations Act, 1953 (Ontario) by
Letters Patent dated May 1st, 1957)

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organisation.)

OCT 8 1958

1. Head office address and any other office address.	304 Toronto General Trusts Building 315 Eighth Avenue S. W., Calgary, Alberta.															
2. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	See Schedule 'A' - pages 2 & 3.															
3. Names, addresses and chief occupations for the past five years of officers and directors.	<p>T. L. Brook, Calgary, Alberta, Chairman - Asamera Oil Corporation Ltd. K. M. Doze, Calgary, Alberta, President - Asamera Oil Corporation Ltd. H. Turnbull, Calgary, Alberta, Vice-President - Asamera Oil Corporation Ltd. G. Olmstead, Calgary, Alberta, Secretary-Treasurer - Asamera Oil Corporation Ltd. P. D. Bowlen, Edmonton, Alberta, Director - President, Regent Drilling Co. Ltd. H. S. Krusen, New York, N. Y., Director - Partner, Shearson, Hammill & Co. T. B. Wilson, Charlotte, N. C., Director - Chairman, Johnson Motor Lines Inc. A. N. Diamantidi, Chexbres, Switzerland, Director - Chairman, Baud Corporation, N.V. J. G. Scarff, New York, N. Y., Director - Exec. Vice-Pres., E. Leitz Inc., N. Y. G. H. Allen, Q. C., Calgary, Alberta, Director - Partner of law firm Allen, MacKimmie, et al. L. Cooper, Bangor, Maine, Director - Associated with Penobscot Beef and Provision Co. J. M. Dillon, Jr. Calgary, Alberta, Director - Vice-President, Carlile & McCarthy, Calgary, Alta.</p> <p>All of the officers with the exception of Mr. Olmstead are directors of the company. All of the above have been associated with the firms indicated for more than the past five years.</p>															
4. Share capitalization showing authorized and issued and outstanding capital.	<p>Share Capital - Authorized - 12,000,000 of 40¢ each - \$4,800,000 Issued - 7,975,000 of which 2,000,000 have been issued in escrow \$3,190,000.</p>															
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding or proposed to be issued.	<p>As above set out in Item 2 A, and bank loans secured by notes:</p> <ol style="list-style-type: none"> 1. Chemical Corn Exchange Bank, New York, N. Y. Balance 15th May, 1958, due by quarterly instalments of varying amounts with interest at 4½% (Payments guaranteed by Royal Bank of Canada with interest at ½%) - \$556,250.00 (U.S.) 2. Royal Bank of Canada, Calgary, Alberta Loan @ 5 3/4% secured by assignment under Section 82 of the Bank Act of our interest in certain Natural Gas Leases in the Etzikom and West Pakowki area; In a share interest in Northwest Nitro-Chemicals Ltd. and in shares and bonds of South Alberta Pipe Lines Ltd. - \$508,285.70 (Can.) 															
6. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<table> <tr> <td>Baud Corporation, N.V., The Hague, Netherlands</td> <td>-</td> <td>2,665,625</td> </tr> <tr> <td>Sea Oil & General Corp., 63 Wall St., New York, N. Y.</td> <td>-</td> <td>196,875</td> </tr> <tr> <td>Gee & Co. (Nominees), 25 King St. West, Toronto, Ont.</td> <td>-</td> <td>1,000,000</td> </tr> <tr> <td>T. L. Brook, Calvin P. O., Calgary, Alberta</td> <td>-</td> <td>199,497</td> </tr> <tr> <td>Shearson, Hammill & Co. (Brokers), New York, N. Y.</td> <td>-</td> <td>265,091</td> </tr> </table> <p>Note: The above of record as at June 28th, 1958.</p> <p>#Beneficial owners are - Baud Corporation - 700,000 Sea Oil & General Corporation - 300,000</p> <p>©Beneficial owners not known.</p>	Baud Corporation, N.V., The Hague, Netherlands	-	2,665,625	Sea Oil & General Corp., 63 Wall St., New York, N. Y.	-	196,875	Gee & Co. (Nominees), 25 King St. West, Toronto, Ont.	-	1,000,000	T. L. Brook, Calvin P. O., Calgary, Alberta	-	199,497	Shearson, Hammill & Co. (Brokers), New York, N. Y.	-	265,091
Baud Corporation, N.V., The Hague, Netherlands	-	2,665,625														
Sea Oil & General Corp., 63 Wall St., New York, N. Y.	-	196,875														
Gee & Co. (Nominees), 25 King St. West, Toronto, Ont.	-	1,000,000														
T. L. Brook, Calvin P. O., Calgary, Alberta	-	199,497														
Shearson, Hammill & Co. (Brokers), New York, N. Y.	-	265,091														
7. Details of any treasury shares now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agree-	See Schedule 'B' - page 4															
8. Names and addresses of persons having any interest, direct or indirect, in underwritten or optioned shares or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	None known															
9. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	See Schedule 'C' - page 4															
10. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings. (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	100% of the two million escrow shares are in the name of Baud Corporation. The escrow agents, namely Mr. John R. Brook and Mr. Donald M. Dunn, New York, have the voting rights on said two million shares until termination of the escrow.															

ITEM 2 A

Acquisition on 23rd May, 1958, by Flank Oil Co., Billings, Montana, (a wholly-owned subsidiary of Asamer) of certain properties located in Wyoming and Colorado consisting of proven and producing oil reserves located in several fields known as the Byron, Garland, Claretton, Fiddler Creek, McCallum, Pilot Butte, Rangely, Lance Creek; also drilling rig, trucking facilities, airplane, camps, pipe, tanks, pumps and surface equipment and flow lines; plant and equipment of what is known as Oriental Refining Company, Denver and Alamosa, Colorado, which has refining facilities and distribution through one hundred service stations, twenty-two of which are owned and the balance rented (hereinafter known as the Stringer-Zall group).

The total purchase price is..... \$6,150,000.00

of which..... \$1,550,000.00
is payable to the Vendors out of oil payments from a percentage of certain specified fields in the producing group and the balance as follows:

Deposited by Flank to the Stringer Group on February 5th, 1958..... 250,000.00

Paid by Flank to the Stringer Group on 23rd May, 1958..... 2,450,000.00

Held in escrow by the Royal Bank pending delivery of merchantable titles to certain properties in the McCallum Field, Novick Lease, Thompson Lease, Pilot Butte Lease and Rangely Weber Unit Leases. (This is in the process of being released)..... 300,000.00

By delivery by Flank to the Stringer Group of its bond or mortgage note for..... 1,600,000.00 secured by an assignment of production and mortgages on all of the personal property, payable:

\$ 500,000.00 1st April, 1959,
without interest.

\$1,100,000.00 1st April, 1961
at 6% payable quarterly
from 1st March, 1958.

Such security being subordinated to the bonds of Flank Oil Co. in the amount of \$2,750,000.00 secured under Deed of Trust and Mortgage to The Royal Bank of Canada Trust Company of New York, as hereinafter set out.

\$6,150,000.00

The total purchase price of the Stringer Deal was reduced by \$67,000.00 by virtue of the Stringer Group's interest being less than the interest originally contemplated.

In addition to the above, inventories consisting of crude oil, gasoline, service station goods, tires, etc., and other products common to refining and marketing were agreed to be purchased by Flank. These inventories as of 1st March, 1958, show a valuation of approximately \$900,000.00 of which \$250,000.00 has been paid from sales. Negotiations are proceeding with the bank for the release of \$300,000 held in escrow, as above set out, and if released and paid to the Stringer Group, Mr. Stringer has signified his willingness to advance the balance of the amount required for inventories with interest at 6% to be repaid to the Stringer Group as money becomes available from the conversion of inventories to cash.

The Stringer Group Deal was not consummated until 23rd May, 1958 but the cash flow is for the account of Flank Oil Co. from 1st March, 1958.

The financing of the above deal was arranged as above set out and by:

(a) Mortgage and Deed of Trust entered into 19th May, 1958, between Flank Oil Co. and The Royal Bank of Canada Trust Company, 68 William Street, New York 5, N. Y., and Frederick L. Carver of same address, as Corporate Trustee.

(b) Flank Oil Co. has issued First Mortgage Bonds dated 23rd May, 1958, registered in the name of Roycal & Co., bearing interest at 6% per annum from this date in the amount of \$2,750,000, said bonds mature and are payable serially, with interest at 6% as follows:

July 1, 1958	\$80,000)	These amounts with interest have been paid
August 1, 1958	80,000)	to The Royal Bank on due date.
September 1, 1958	80,000	January 1, 1960 \$80,000
October 1, 1958	80,000	February 1, 1960 80,000
November 1, 1958	80,000	March 1, 1960 80,000
December 1, 1958	80,000	April 1, 1960 80,000
January 1, 1959	80,000	May 1, 1960 80,000
February 1, 1959	80,000	June 1, 1960 80,000
March 1, 1959	80,000	July 1, 1960 80,000
April 1, 1959	80,000	August 1, 1960 80,000
May 1, 1959	80,000	September 1, 1960 80,000
June 1, 1959	80,000	October 1, 1960 80,000
July 1, 1959	80,000	November 1, 1960 80,000
August 1, 1959	80,000	December 1, 1960 80,000
September 1, 1959	80,000	January 1, 1961 80,000
October 1, 1959	80,000	February 1, 1961 80,000
November 1, 1959	80,000	March 1, 1961 80,000
December 1, 1959	80,000	April 1, 1961 80,000
		May 1, 1961 30,000

These bonds are secured by the assets acquired from the Stringer Group, subject, however, to the prior payment of the production reserved and payable to the Stringer Group in the aggregate of \$1,550,000 from the oil produced from certain tracts of land under the terms and provisions of the agreement with the Stringer Group.

(c) Asamer granted to the Royal Bank its notes for \$3,000,000 and Flank Oil Co. has granted to Asamer Demand Notes as follows:

\$ 250,000 (U.S.)	dated	5th February, 1958	with interest at 6%
\$2,450,000	"	" 22nd May, 1958	with interest at 6%
\$ 100,000	"	" "	" "
\$ 40,000	"	" "	" "
\$ 10,000	"	" "	" "
\$ 50,000	"	" "	" "
\$ 100,000	"	" "	" "

and said notes were assigned to The Royal Bank of Canada to be held by the bank as general and continuing collateral security for the fulfilment of all the obligations of Asamer to the bank.

ITEM 2 B

Acquisition of Exploration Licences - Lake Erie - of approximately 150,000 acres at a net cost to the company as of 18th February, 1958 of \$1,479.70 after deduction of first year's rentals repaid to Asamer by the French Petroleum Company of Canada, Ltd. When and if French Petroleum expends \$100,000 in "exploration and developing expenditures" it will earn a twenty-five percent interest in the licences (subject to a 7% gross overriding royalty) and when and if French Petroleum expends \$200,000 in "exploration and developing expenditures" it will have earned a fifty percent interest in the licences (subject to said 7% gross overriding royalty). Thereafter future expenses shall be on the basis of the respective interests, all as more fully set out in said agreement.

SCHEDULE 'B'

Options to K. M. Doze - 25,000 shares at \$2.50 exercisable as follows:

(a) Doze may purchase 3,000 of the said shares at any time within five (5) years following the expiration of one (1) year from 1st January, 1953.

Doze may purchase an additional 3,000 shares at any time within four (4) years after the expiration of two (2) years from the 1st January, 1953.

Doze may purchase an additional 3,000 of such shares at any time within three (3) years after the expiration of three (3) years from 1st January, 1953.

Doze may purchase an additional 3,000 of such shares at any time within two (2) years after the expiration of four (4) years from 1st January, 1953.

Doze may purchase 3,000 of such shares at any time within one (1) year after the expiration of five (5) years from 1st January, 1953.

(b) Doze may purchase five thousand (5,000) of the said shares at any time within a period of three (3) years following the 1st day of January, A. D. 1957.

Doze may purchase five thousand (5,000) of such shares at any time within three (3) years following the 1st day of January, A. D. 1958.

None of the above options have been exercised.

By resolution of Directors, dated 17th June, 1958, it was resolved that the existing options on shares to Mr. Doze be extended until January, 1962, or until one year from the date his services with the company or its subsidiary, Flank Oil Co., are terminated, whichever is the sooner. This extension is subject to approval of stock exchanges on which the shares of the company are listed.

By agreement dated 12th June, 1957, Empire Resources Corporation, New York, N. Y., and Shearson, Hammill & Co. have the exclusive right for a period of six months to arrange an agreement for the development and exploitation of the exploration area of the Palembang Block in Indonesia, and if during a period of nine months from June 12th, 1957, New British (Asamer) enters into an agreement with a party introduced by Resources or Shearson, then Resources and Shearson shall each have the right to acquire an option to purchase in whole or in part from time to time during a period of five years an aggregate of 800,000 shares (100,000 each) at a price of \$2.70 per share. No option has yet been granted pursuant to this agreement.

NOTE: In view of existing developments in respect to the above the right to acquire the option mentioned above has been extended to 1st November, 1958.

SCHEDULE 'C'

By Escrow Agreement dated 9th September, 1957 between Baud Corporation N.V. and New British Dominion Oil Company Limited (Asamer), 2,000,000 of the 3,500,000 shares issued to Baud Corporation are held in escrow for a period of six months from 9th September, 1957, namely to 9th March, 1958, to terminate on that date and the shares delivered to Baud on the fulfilment by Baud of certain conditions set out in said Escrow Agreement with respect to the granting of exploration licences on the Palembang Block by The Indonesian Government or the said Government enters into an agreement with New British (Asamer) for the development of the Palembang Block with participation by said Government in the equity or profits of such development as more fully set out in said Agreement, or failing the 2,000,000 shares shall be returned by the escrow agents to New British (Asamer). In addition Baud upon the return of said 2,000,000 shares shall issue to New British (Asamer) such number of shares in its capital stock of each class then issued and outstanding (other than in its treasury) as shall equal the number of its capital stock then so issued so that New British (Asamer) shall own 50% of Baud.

Note: Representatives of Asamer are in Indonesia at the present time discussing a written proposed agreement with the Indonesian Government and in consequence the date of the escrow has been extended to 1st November, 1958.

FINANCIAL STATEMENTS

ASAMERA OIL CORPORATION LTD.

CALGARY - ALBERTA

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 1958



ASSETS

	Canadian Dollars	CURRENT
Cash	\$ 22,002	
Accounts receivable	58,976	
Total Current Assets	\$ 81,068	
INVESTMENTS		
Northwest Nitro-Chemicals Ltd.		
375,001 common shares—quoted market value \$315,636 (U.S.)—cost	\$ 3,750	
1,665 5% preferred shares—not listed—cost	166,500	
Sundry miscellaneous investments—substantially at cost—Note 2	1,639	
Total Investments	\$ 171,909	
INVESTMENT IN NON CONSOLIDATED AFFILIATE		
South Alberta Pipe Lines Ltd.		
160,001 common shares—cost	\$ 80,001	
\$750,000 par value 5% 1st Mortgage Sinking Fund bonds due 1st	675,000	
May, 1966—Note 3	75,625	
Accrued bond interest and loans		\$ 830,626
FIXED ASSETS—At Cost		
Producing wells and equipment		
Asset	Accumulated Amortization	
\$ 764,887	\$ 131,826	\$ 633,061
100,414	31,393	49,021
Total Fixed Assets	\$ 865,301	\$ 183,219
Non producing wells and equipment (capped and suspended wells)		
Non producing properties—Note 4		
Inventory of tubular goods and supplies—Note 5		
INDONESIA PROJECT—Note 6		
PURCHASE OF INTEGRATED OIL BUSINESS—		
preliminary payments—Note 7		
OTHER ASSETS—Drilling deposits, etc.		
DIFFERENCE ON CONVERSION of accounts of United States subsidiary to Canadian currency		
		\$ 13,660,480

LIABILITIES

	Canadian Dollars
Accounts payable	\$ 125,133
Bank demand loans and interest accrued (secured)	761,919
Extended payment bank loan (secured)—instalments payable within one year and interest accrued (U.S. equivalent \$141,172)	137,554
Total Current Liabilities	\$ 1,024,606
EXTENDED PAYMENT BANK LOAN—(secured)	
Payable in the amount of \$587,500 U.S. (including instalments due within one year, above) by quarterly instalments of varying amounts with interest at 5%—final instalment due 15th August, 1961	\$ 447,861
SHAREHOLDERS' EQUITY	
SHARE CAPITAL	
Authorized—per supplementary letters patent granted 12th August, 1957	
12,000,000 shares of 40c each	\$ 480,000
Issued and fully paid—per statement	
7,975,000 shares of which 2,000,000 have been issued in escrow	\$ 318,000
CAPITAL SURPLUS—per statement	12,002,526
OPERATING DEFICIT—per statement	(3,004,513)
Total Shareholders' Equity	\$12,188,013
Approved on behalf of the Board	
T. L. BROOK, Director,	<i>T. L. Brook</i>
K. M. DOZE, Director,	<i>K. M. Doze</i>

AUDITORS' REPORT

The accompanying notes to financial statements applicable to the above balance sheet are an integral part thereof. We have examined the consolidated balance sheet of Asamera Oil Corporation Ltd. as at 31st March, 1958 and the related consolidated statements of operations, capital surplus and earned surplus or deficit for the three years ended 31st March, 1956, 1957 and 1958. We have obtained all the information and explanations we have required. Our examination included a general review of accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the accompanying consolidated balance sheet and the related consolidated statements of operations, capital surplus and earned surplus or deficit, supplemented by the notes appended thereto, have been prepared in accordance with generally accepted accounting principles applied on a consistent basis, and are drawn up as to exhibit a true and correct view of the state of the affairs of the company as at 31st March, 1958 and the results of its operations for the three years ended on that date, according to the best of our information and the explanations given to us.

HARVEY, MORRISON & CO.,
Chartered Accountants

Harvey, Morrison & Co.

CONSOLIDATED STATEMENT OF OPERATIONS

For the Year Ended 31st March, 1958

With Comparable Figures for the years ended 31st March, 1957 and 1956

	Canadian Dollars		
	1958	1957	1956
INCOME			
Gross production	\$ 174,834	\$ 144,420	\$ 76,932
Deduct Royalties and production expenses	73,821	89,696	47,419
	\$ 101,013	\$ 54,724	\$ 29,513
Profit on sale of assets (1958 includes \$855,698.00 profit on sale of half of holdings of Northwest Nitro-Chemicals Ltd.)	909,528	44,255	(14,555)
Administration fees	10,000	24,550	44,113
Well supervision	22,400	9,973	12,157
Royalties	1,470	280	613
Total Income	\$ 1,044,411	\$ 133,782	\$ 71,841
EXPENSES			
Exploration and Development			
Abandoned properties	\$ 110,348	\$ 57,607	\$ 151,551
Rentals — non-producing leases	50,335	66,292	71,277
Salaries	41,512	39,652	35,091
General	9,788	15,566	6,864
	\$ 211,983	\$ 179,117	\$ 264,783
ADMINISTRATION AND GENERAL			
Salaries	\$ 87,328	\$ 80,898	\$ 86,490
Employees' benefits	1,752	9,272	12,119
Office rent and supplies	18,730	13,945	13,329
General expense	29,977	13,997	12,727
Telephone and telegraph	8,252	5,746	5,955
Travel	16,650	10,832	12,213
Legal and audit	6,008	12,732	6,904
Interest and exchange	41,866	53,409	24,165
Transfer fees	30,443	20,448	12,786
	\$ 241,006	\$ 221,279	\$ 186,688
Total Expenses	\$ 452,989	\$ 400,396	\$ 451,471
PROFIT OR (LOSS) FOR THE YEAR			
before under-noted provisions	\$ 591,422	\$ (266,614)	\$ (379,630)
PROVISIONS FOR AMORTIZATION ETC. — Note 8			
Depletion of producing properties	\$ 18,571	\$ 19,285	\$ 21,566
Depreciation of fixed assets	35,275	19,587	18,394
Bad debts	731	3,894	(6,343)
Lease losses	Nil	Nil	(5,380)
Income tax	Nil	Nil	Nil
	\$ 54,577	\$ 42,766	\$ 28,237
NET CONSOLIDATED PROFIT OR (LOSS) FOR THE YEAR — Note 9	\$ 536,845	\$ (309,380)	\$ (407,867)

The accompanying notes to financial statements applicable to the above statement of operations are an integral part thereof.
(Parenthesis () indicates a loss or deduction from expenses.

Statement of Share Capital Issued and Fully Paid

31ST MARCH, 1958

	Shares	Dollars
Balance, 31st March, 1957—issued and fully paid	3,850,000	\$ 1,540,000
Issued during the year —		
118,000 shares issued for \$300,900 (U.S.) cash—of which 40c per share (par value) was credited to share capital	118,000	47,200
7,000 shares issued for producing properties in Alberta which the directors have valued at \$17,500 (Canadian) and of which 40c per share was credited to share capital	7,000	2,800
4,000,000 shares issued (including 2,000,000 shares issued in escrow) for rights and permits in Indonesia which the directors have valued at \$10,800,000 (Canadian) and of which 40c per share was credited to share capital—see note 6	4,000,000	1,600,000
Balance, 31st March, 1958—issued and fully paid	7,975,000	\$ 3,190,000

Consolidated Statement of Capital Surplus

FOR THE YEAR ENDED 31ST MARCH, 1958 WITH COMPARABLE FIGURES FOR THE YEARS ENDED 31ST MARCH, 1957 AND 1956

	1958	1957	1956
Balance at the beginning of the year—surplus	\$ 2,564,347	\$ 2,486,147	\$ 2,486,147
Portion of proceeds of sale, or of directors' valuation of share capital issues, credited to capital surplus after discount on U.S. funds and listing costs	9,438,179	78,200	
Balance at end of year—surplus	\$12,002,526	\$ 2,564,347	\$ 2,486,147

Consolidated Statement of Earned Surplus or Deficit

FOR THE YEAR ENDED 31ST MARCH, 1958 WITH COMPARABLE FIGURES FOR THE YEARS ENDED 31ST MARCH, 1957 AND 1956

	1958	1957	1956
Balance at beginning of year—operating deficit	\$ 3,541,358	\$ 3,231,978	\$ 2,824,111
Net consolidated profit or (loss) for the year	536,845	(309,380)	(407,867)

Balance at end of year—operating deficit	\$ 3,004,513	\$ 3,541,358	\$ 3,231,978
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31ST MARCH, 1958

NOTE 1 -- The term "consolidated" refers to Asameria Oil Corporation Ltd. (formerly New British Dominion Oil Company Limited) and to its wholly-owned subsidiary, Flank Oil Co., Montana, U.S.A.

NOTE 2 -- **Sundry Miscellaneous Investments**—Asameria Oil (Indonesia) Ltd.

Included in this caption is the sum of \$2.00 representing all of the issued shares of Asameria Oil (Indonesia) Ltd., a wholly-owned subsidiary incorporated under the laws of the Province of Alberta as a private company authorized to do business only outside of Canada. The subsidiary was incorporated 16th January, 1958 and has no assets.

NOTE 3 -- **Investment in Non-Consolidated Affiliate**—South Alberta Pipe Lines Ltd. — \$750,000 par value 5% 1st Mortgage Sinking Fund Bonds due 1st May, 1966

South Alberta is in default with respect to the first sinking fund instalment payable 1st March, 1958 in the amount of \$166,000. The default has been waived by the bondholders. Interest due has been paid.

NOTE 4 -- **Fixed Assets — Non-producing Properties**

Flank Oil Co. is defendant in a lawsuit being brought in Montana to force acceptance of a lease, title to which, the company claims, is defective.

If the court finds in favor of the plaintiff, the company will be required to spend not less than \$42,000 of which \$10,000 is presently held in escrow and is included in this caption.

NOTE 5 -- **Fixed Assets — Inventory of tubular goods and supplies**

The inventory has been determined and certified by the management. A physical inspection was not made by the auditors.

NOTE 6 -- **Indonesia Project** \$ 11,079.812

Asameria has entered into agreements with Sea Oil and General Corporation of New York and its wholly-owned subsidiary, Baud Corporation N.V. of the Netherlands, intended to enable Asameria to engage in a program of exploration for and development of oil in the Republic of Indonesia through the acquisition by Asameria of control of Nusantara Mining Corporation P.T. of Indonesia, which latter company was heretofore controlled by Sea Oil and General Corporation. Nusantara holds certain general exploration licenses from the Republic of Indonesia on 80,000 acres in the Palembang area in excess of 720,000 acres.

Permission from the Republic of Indonesia enabling Asameria to commence exploration under the licenses referred to above, and a proposal for the formation of a joint stock company with the Republic as a shareholder, are being negotiated.

In the event that proper workable arrangements with respect to the Palembang block cannot be made by 1st November, 1958, 2,000,000 of the 3,500,000 shares issued to Baud Corporation (see below) will revert to Asameria and Asameria will receive a 50% interest in Baud Corporation in one of two ways as follows:

- (a) Baud will issue to Asameria sufficient shares of each class then issued and outstanding so that Asameria will own 50% of Baud, from the assets of which there shall be excluded, however, all the shares of Asameria, or,
- (b) with the consent of Asameria, Baud will effect the assignment, transfer and conveyance to a corporation (the shares of which would be issued or transferred to Asameria) of a 50% interest in all the assets of Baud, with the exception of shares of Asameria, and a 50% responsibility for the liabilities of Baud.

Details of the Amounts Charged to the Indonesia Project are as follows:

Share Capital Issues

Baud Corporation—for 196 class "B" shares of Nusantara Mining Corporation (representing all of the outstanding class "B" shares)—3,500,000 shares of Asameria valued by the directors at \$2.70 per share	\$ 9,450,000
2,000,000 of the shares to Baud are presently held in escrow pending acceptable transfers to Asameria of the subject interests and properties of Baud and Sea Oil and General.	

Sea Oil and General Corporation—for its rights in certain applications, agreements, and licenses regarding petroleum rights in Indonesia and the transfer to Asameria of certain contractual rights regarding 204 class "A" shares of Nusantara—500,000 shares of Asameria valued by the directors at \$2.70 per share	1,350,000
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\$10,800,000

Cash Outlays

Sea Oil and General Corporation for preliminary exploration work in Indonesia	\$ 238,906
Legal fees	35,779
Incorporation costs of Asameria Oil (Indonesia) Ltd.	2,433
Sundry	2,694

\$ 279,812

Total Charged to Indonesia Project \$11,079.812

NOTE 7 -- **Purchase of Integrated Oil Business—Preliminary payments** \$ 270,583

On May 23rd, 1958 Flank Oil Co. completed arrangements for the purchase of an integrated oil business consisting of leases, wells, pipe lines, refineries, gasoline stations, transports and related facilities from the Oriental Refining Company of Denver, Colorado, and several of its affiliates.

The full purchase price of the business was agreed upon as \$6,150,000.00 plus current inventories purchased separately for \$900,000.00. Of the \$6,150,000.00, \$4,600,000.00 is payable by cash and notes and \$1,550,000.00 is payable out of oil production from specific properties over a number of years.

Preliminary payments of \$270,583 include \$250,000 paid on purchase price and \$20,583 for miscellaneous expenses.

The purchase agreement provides that profits from the business accrue to Flank from March 1st, 1958. However, since negotiations were not concluded until May 23rd, the company's statement of operations for the current year does not reflect the results of the operations of the acquired oil business for the month of March, 1958. Financial statements for the 1959 year will, therefore, include thirteen months' income from this source.

NOTE 8 -- **Provisions for Amortization, etc.**

The company's policies with respect to amortization etc. are as follows:

Depletion of producing properties

Costs of producing properties are amortized by charges to operations on a unit-of-production basis.

Amortization of abandoned properties

Costs of abandoned properties are charged to operations of the year of abandonment.

Depreciation of fixed assets

Maximum allowances as permitted under the governing income tax laws are provided as charges to operations. Obsolescence is also provided by charges to operations.

Maintenance, repairs and renewals, and betterments

Expenditures on maintenance, repairs and renewals are charged to operations of the year concerned. Expenditures for betterments are added to asset cost and are amortized as described above.

Adjustment of accumulated reserves on retirement or disposal of properties

Producing properties subject to depletion—Upon retirement or disposal of producing properties the cost of the asset and the related reserve are written out of the accounts and the resulting profit or loss is taken to operations of the year of retirement or disposal.

Fixed assets subject to depreciation—Profits or losses on the disposal of fixed assets are taken to operations of the year of disposal, with the parent company treating classes of assets as single assets and applicable depreciation reserves as single reserves. Reserves relating to assets disposed of are written off in determining profits or losses on disposal.

NOTE 9 -- **Net Consolidated Profit for 1958**

Not included herein is the company's share of the loss of South Alberta Pipe Lines Ltd., a fifty per cent owned affiliate, in the amount of \$15,738. Legal fees amounted to \$62,253, of which \$9,207 was charged to operations, \$17,267 was charged to capital surplus and \$35,779 was charged to Indonesia project. Remuneration to executive officers and salaried directors amounted to \$86,752 (Asameria \$64,583 and Flank \$22,169).

NOTE 10 -- **Reconciliation of Investment of Asameria (parent) in Flank (subsidiary) and equity of Asameria in net assets of Flank**

Net deficit of Flank	\$ 1,814,416
Investment of Asameria in Flank	75,006

Difference—being operating deficit of Flank included in balance sheet caption "operating deficit" \$ 1,889,422

7

11. Brief statement of company's chief development work during past year.	Two successful gas wells were completed in the Etzikom field. One by Asamer in its own interest and one by Asamer and Midcon Oil and Gas Company Limited jointly.
	Certain wells have been drilled by Flank Oil Co. in Montana on a participating basis with others but no commercial discoveries were made.
12. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	No definite plans made.
13. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	The assets include 375,001 common shares of Northwest Nitro-Chemicals Ltd. and 1,665 preferred shares. These shares are under option to Commercial Solvents for a period of two years from 9th September, 1957 at a price of \$1,100,922. The total cost to the company on the common shares was \$3,750 and on the preferred shares was \$166,500.
14. Brief statement of any lawsuits pending or in process against company or its properties.	The action brought by Midcon Oil and Gas Limited for an interest in the shares of Northwest Nitro-Chemicals Ltd. was dismissed by the Supreme Court of Alberta in August, 1956, by the Appellate Court in March, 1957, and by the Supreme Court of Canada in February, 1958. No further appeals can be made. No further actions are pending.
15. Names and addresses of persons whose shareholdings are large enough to materially affect control of the company.	As set forth in Item 6.
16. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None
17. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Except as the Stringer-Zall Deal outlined in Item 2 (a) no other property is at present intended to be purchased.
18. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Stringer-Zall Deal - see Item 2 (a) - page 2.
19. Statement of any other material facts and if none, so state.	None

DATED 6th August, 1958.

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 2 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"H. Turnbull"

"T.L. Brook"

CORPORATE

SEAL

Chairman

of Board

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 2 above and in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

TORONTO STOCK EXCHANGE

FILING STATEMENT No. 842,
FILED NOVEMBER 30th, 1962.

ASAMERA OIL CORPORATION LTD.

Letters Patent Dated May, 1925

Particulars of incorporation (e.g., incorporated under Part IV of the Corporations Act, 1933
(Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT Reference is made to previous
Filing Statement No. 614.
(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

DEC 19 1962

1. Brief statement of the material
change in the affairs of the company
in respect of which this statement is
filed.

(a) Conclusion of an agreement with P. N. Pertambangan Nasional,
an oil company owned by the Republic of Indonesia (Usually
referred to as "Permina"), under which Asamera acts as a
contractor to assist Permina in the exploration and development
of an area of North Sumatra for the production of crude oil
and the proposed issue of 20,000 Treasury shares to Mr. W. F.
Knode as a finder's fee for his services in securing the
participation of Plymouth Oil Company with Asamera in such
contract with Permina.

Over a period of several years Asamera negotiated with
the Government of Indonesia for a contract to assist in
the developing of the oil resources of that country and,
having due regard to the difficulties encountered, it
was deemed advisable to secure assistance through the
participation of another company which would be acceptable
to the Government of Indonesia.

During the interval from December, 1960 to July, 1961,
Mr. W. F. Knode, Calgary, Alberta, registered Petroleum
Engineer, negotiated on behalf of Asamera with Plymouth
Oil Company regarding participation by Plymouth in Asamera's
Indonesia project. As a result of these negotiations
Plymouth agreed under the terms of an agreement made as of
August 2, 1961, to assume and pay for all expenditures
thereafter incurred in negotiations with the Indonesian
authorities for contract and after such negotiations were
successful to contribute, upon acceptance of the contract
by Plymouth, an amount calculated to earn one-half of the
rights of Asamera's interest in such Indonesian contract.

On August 2, 1961, the Board of Directors of Asamera
authorized for issuance 20,000 shares of the capital stock
of the company to Mr. Knode as a finder's fee for his efforts
as described above, such authorization being conditioned
upon the completion of a contract with the Indonesian
Government and the performance of Plymouth under its
agreement with the company. Since a contract with the
Indonesian Government was entered into on September 1, 1961,
and Plymouth did perform under its agreement Mr. Knode has
become entitled to the issuance of the 20,000 shares.

(b) Sale of 210,000 shares of Northwest Nitro-Chemicals Ltd. in
August and October, 1961.

The sale was not reported to the Exchange at the time the
transactions were made in contravention of the provisions
of Ruling 49.

(c) Sale of Barons area properties to Barons Oil Limited for a
cash consideration of \$35,000, such sale to be effective as
of September 1, 1962.

The transaction with Barons Oil Limited was made at
arms-length. The sale included all our holdings in
the Barons field area, including four oil wells, subject
only to the payment of the cash consideration as above and
the reservation of a gross overriding royalty of 5 per cent
of all production of petroleum products. No evaluation
report was prepared.

2. Head office address and any other
office address.

315 - 8th Avenue S.W., CALGARY, Alberta

3. Names, addresses and chief occupations
for the past five years of
present or proposed officers and
directors.

T. L. BROOK - 315 - 8th Avenue S.W., Calgary, Alberta
Oil Executive
President and Director

K. M. DOZE - Box 1921, Billings, Montana, U.S.A.
Petroleum Engineer
Vice-President and Director

G. H. ALLEN - Alberta Wheat Pool Building, Calgary, Alberta
Barrister and Solicitor
Director

E. M. STRINGER - Box 118, Denver, Colorado, U.S.A.
Corporation Executive
Director

C. A. BROOKS - Box 118, Denver, Colorado, U.S.A.
Sales Supervisor
Director

W. F. KNODE - 201 General Petroleum Building, Calgary, Alberta
Petroleum Engineer
Director

G. G. OLMSTEAD - 315 - 8th Avenue S.W., Calgary, Alberta
Corporation Secretary
Secretary-Treasurer and Director

4. Share capitalization showing authorized
and issued and outstanding
capital.

Authorized - \$4,000,000 divided into 10,000,000 shares of
par value of \$0.40
Issued and outstanding - \$2,423,800 divided into 6,059,500
Shares of par value of \$0.40

5. Particulars in respect of any bonds,
debentures, notes, mortgages, charges,
liens or hypothecations outstanding.

Bank loans as at September 30, 1962:

(a) \$ 262,149 Canadian funds

(b) \$ 711,111 U.S. funds

(c) \$1,270,000 U.S. funds

Secured as follows:

(a) and (b) by assignment of lease, share and bond interests and
assignment of book debts.

(c) By note of Flank Oil Co., wholly owned subsidiary, which note
has been pledged to the bank; to secure the note Flank has issued
first mortgage bonds which have been assigned to the bank.

6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	Employee options to K.M. Doze for 25,000 shares at \$2.50 per share - expired January 1, 1962. Options (accepted for filing August 31, 1961) have been granted to officers and directors to purchase 275,000 shares of the Company's Capital Stock at \$0.50 per share exercisable on various dates to April 18, 1967. No portion of these options has been exercised. In addition 225,000 shares are reserved under a Stock Option Plan for granting options to employees. No options have been granted under the Plan.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	Not applicable.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with proposed underwriting or property acquisition.	Not applicable except as in 1. (a) above re proposed issue of 20,000 shares to Mr. W. F. Knodel.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	<p>It is the intention of the Company to develop its remaining Canadian holdings in areas warranting development through farmouts and/or participation agreements.</p> <p>Through Flank Oil Co., its wholly owned U.S. subsidiary, the Company intends to maintain its substantial production in the State of Wyoming through the completion of existing and new water flood secondary recovery schemes, and to maintain its refining and marketing operations out of Denver and Alamosa, Colorado.</p> <p>Through Asamera Oil (Indonesia) Ltd., a wholly owned Bermuda corporation, the company under the terms of the Permina contract intends to proceed in the development of petroleum properties in North Sumatra, Republic of Indonesia, as a contractor for Permina by recommending programmes for exploration and development and supplying all necessary equipment and personnel to carry out these programmes. As a contractor, Asamera will be repaid for costs out of a percentage of the sale of any crude produced and the balance will be split 60 per cent to Permina and 40 per cent to Asamera. Participating with Asamera are the following:</p> <p>Central-Del Rio Oils Limited - 33$\frac{3}{4}$ per cent (Interest was acquired from Asamera upon Plymouth Oil Company relinquishing its remaining interest in the Permina contract at the time of its amalgamation with the Ohio Oil Company.)</p> <p>Benendum Trees Oil Company - 11$\frac{1}{4}$ per cent (Interest was acquired by Benendum from Plymouth Oil Company.)</p> <p>Refining Associates (Canada) Ltd. - 10 per cent (Interest acquired at the time of the granting of the contract by Permina.)</p>
10. Brief statement of company's chief development work during past year.	<p>A development well was drilled late in 1961 in the Etzikom, Alberta, field area.</p> <p>Through Flank Oil Co. the company participated in a secondary recovery water flood unit project in the Black Thunder area in the state of Wyoming.</p> <p>Through Asamera Oil (Indonesia) Ltd. under the Indonesian contract programmes for exploration and development in North Sumatra have been recommended; equipment has been purchased and technical personnel have been supplied to assist Permina in carrying out said programmes.</p>
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Not applicable.
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable.
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	Not applicable.

FINANCIAL STATEMENTS

ASAMERA OIL CORPORATION LTD.

(Incorporated under the laws of Canada)

and its wholly-owned subsidiaries

CONSOLIDATED BALANCE SHEET September 30, 1962

ASSETS

CURRENT:

Cash	\$ 637,513
Accounts receivable	679,624
Accrued interest on investments	12,969
Inventories valued at the lower of cost or market	981,659
Prepaid expenses	23,068
 TOTAL CURRENT ASSETS	 \$2,334,833
 * INVESTMENTS - AT COST (Notes 2 and 4):	
Northwest Nitro-Chemicals Ltd.	\$ 167,921
South Alberta Pipe Lines Ltd. (50% owned)	640,251
 * (MARKET VALUE \$134,321).	 \$ 808,172

FIXED:

Property, plant and equipment at cost	\$5,497,765
Less accumulated depreciation and depletion	2,211,540
 TOTAL	 \$3,286,225

OTHER:

Deferred charges re Indonesia at cost (Note 3)	\$1,220,367
Deposits	7,125
 TOTAL	 \$1,227,492
 6% Mortgage Notes (Note 5)	 \$7,656,722
 ACCUMULATED FOREIGN EXCHANGE DIFFERENTIAL	 41,195

LIABILITIES

CURRENT:

Bank loans (Note 4)	\$2,266,288
Accounts payable and accrued charges	1,514,823
Accrued bank loan and mortgage interest	235,632
6% Mortgage Note (Note 5)	1,206,093
 TOTAL CURRENT LIABILITIES	 \$5,222,836
 6% Mortgage Notes (Note 5)	 625,000
 ACCUMULATED FOREIGN EXCHANGE DIFFERENTIAL	 41,195

SHAREHOLDERS' EQUITY:

Capital - (Note 6)	
Authorized - 10,000,000 shares of a par value	
of 40¢ each	
Issued - 6,059,500 shares	\$2,423,800
Paid-in surplus	2,838,702
 Deficit (Statement 2)	 5,262,502
 1,767,691	
 7,656,722	

John C. Burkhardt
Director

ASAMERA OIL CORPORATION LTD.

Statement of Consolidated Profit and Loss
for the six months ended September 30, 1962

INCOME:

Gross profit on sales of crude oil and gas, refined products, etc.	\$ 501,095
Bond Interest	16,188
Sundry	<u>55,853</u>
	\$ 576,136

EXPENSES:

General and administrative	\$ 192,612
Exploration and development	2,063
Interest	<u>135,905</u>
	\$ 330,580

PROFIT BEFORE DEPRECIATION, DEPLETION, ETC.

\$ 245,556

DEDUCT:

Provision for depreciation	\$ 189,553
Provision for depletion	30,697
Loss on sale of fixed assets	<u>24,742</u>
	\$ 244,992

PROFIT BEFORE PROFIT ON SALE OF INVESTMENTS

\$ 564

PROFIT ON SALE OF INVESTMENTS

3,750

NET PROFIT FOR THE PERIOD (Note 8)

\$ 4,314

STATEMENT OF CONSOLIDATED DEFICIT
for the six months ended September 30, 1962

Balance at March 31, 1962	\$3,499,125
Profit for the period	<u>4,314</u>
Balance at September 30, 1962	\$3,494,811

ASAMERA OIL CORPORATION LTD.

Notes to Financial Statements
September 30, 1962

NOTE 1 - PRINCIPLES OF CONSOLIDATION

The financial statements consolidate the accounts of the Company and its wholly-owned subsidiaries Flank Oil Co. and Asamera Oil (Indonesia) Ltd. The bank loans of Asamera Oil Corporation Ltd. payable in United States funds and the assets, liabilities and earnings of Flank Oil Co. are included in the consolidated financial statements at par of exchange. Certain of the companies' debts, payable in United States funds, are in default (Notes 4 and 5). In the opinion of management, the companies have sufficient assets in the United States to liquidate United States indebtedness if default proceedings are instituted.

NOTE 2 - Investments

Details of the Company's investments are as follows:

	Cost	Quoted market value
Northwest Nitro-Chemicals Ltd. - 142,139 common shares of 1¢ par value each	\$ 1,421	\$134,321
1,665 5% preferred shares of a par value of \$100 each	166,500	Not quoted
South Alberta Pipe Lines Ltd. - 160,001 common shares of a par value of 50¢ ea. 80,001		Not quoted
622,500 5% First Mortgage Sinking Fund Bonds due May 1, 1966	560,250	Not quoted
	\$808,172	\$134,321

South Alberta Pipe Lines Ltd.'s capital stock and long term debt are owned 50% each by the Company and Midcon Oil and Gas Limited. Sinking fund payments required by the Trust Deed securing the 5% First Mortgage Sinking Fund Bonds have been waived by the bondholders. (cont'd on page 5).

NOTE 3 - Indonesia

Commencing in its 1958 fiscal year, the Company has incurred expenditures with a view to securing the right to explore for oil in Indonesia. The Company's wholly-owned subsidiary, Asamer Oil (Indonesia) Ltd., is carrying out a program for the joint exploration and development of certain areas on the Island of Sumatra under an agreement entered into with a State Enterprise of the Republic of Indonesia.

A summary of the expenditures to September 30, 1962, is as follows:

Shares of the Company's capital stock issued in the acquisition of petroleum rights and shares of an Indonesian company -	
2,050,000 shares valued at 40¢ per share	\$ 820,000
Cash expenditures -	
Preliminary work in Indonesia	\$276,941
Legal fees	66,071
Travelling and other charges	<u>57,355</u> <u>400,367</u>
	\$1,220,367

NOTE 4 - Bank Loans

Details of bank loans payable by the companies are as follows:

Asamer Oil Corporation Ltd.

Royal Bank of Canada -

6% Canadian dollar loan	\$ 262,119
6% U.S. dollar loan	711,111
6% U.S. dollar loan re Flank Oil Co.	1,270,000

Flank Oil Co. -

Denver U. S. National Bank -

National City Bank of Denver	<u>16,028</u> <u>7,000</u>
	\$2,266,288

The loans with The Royal Bank of Canada are secured by the proceeds of production from certain of the Company's producing properties in the Etzikom area in Alberta, a general assignment of book debts and the hypothecation of the Company's investments in Northwest Nitro-Chemicals Ltd. and South Alberta Pipe Lines Ltd. In addition, the bank holds \$1,230,000 (U.S.) principal amount of First Mortgage Bonds issued by Flank Oil Co. The Bonds are secured by Flank's property and equipment and an assignment of that company's interest in certain producing properties. Flank Oil Co. is in default in respect of its First Mortgage Bonds but no proceedings have been instituted against the company by the bank.

Note 5 - 6% Mortgage Notes

The Mortgage Notes of \$1,206,093 (U.S.) and \$625,000 (U.S.) were issued by Flank Oil Co. on the purchase of the business of Oriental Refining Company.

The Note of \$1,206,093, which is secured by a second mortgage on the property and equipment of Flank Oil Co., is subordinated to the payment of the 6% U.S. dollar loan with The Royal Bank of Canada of \$1,270,000 (U.S.) (see Note 4). Flank Oil Co. is in default in respect of this Note.

The Notes of \$625,000, which are secured by a first charge on the inventories of Flank Oil Co., are payable after the loan of \$1,270,000 has been repaid except that, if by reason of any default on the senior loan any actions or proceedings are taken which lead to foreclosures, the Notes become immediately payable.

Note 6 - Capital

Options have been granted to officers and directors to purchase 275,000 shares of the Company's capital stock at 50¢ per share, exercisable on various dates to April 18, 1967. In addition, 225,000 shares are reserved under a Stock Option Plan for the granting of options to employees. No options have been granted under the Plan.

Note 7 - Dividends

The Company has undertaken not to declare or pay any cash dividends during the currency of its loans with The Royal Bank of Canada (see Note 4).

Note 8 - Income taxes

It is the practice of the Company to capitalize as part of the cost of properties, drilling and development expenditures of producing wells. Such expenditures are deductible for income tax purposes and as a result no provision for income taxes is required for the six months ended September 30, 1962.

14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable.
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>As of October 31, 1962:</p> <p>* Merrill Lynch, Pierce, Fenner & Smith 70 Pine Street, N.Y. 123,497</p> <p>* Shearson Hammill & Co. 14 Wall Street, N.Y. 292,680</p> <p>* Bache & Co. 36 Wall Street, N.Y. 214,547</p> <p>** T. L. Brook 315 - 8th Ave. S.W., Calgary 183,133</p> <p>*** Baud Corporation N.V. The Hague, Netherlands 154,000</p> <p>* Brokers - beneficial owners unknown.</p> <p>** Beneficially held.</p> <p>*** Not known if beneficially held or not.</p>
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	No person has shareholdings large enough to materially affect control of the company. However, Mr. Brook is in a position to materially affect control of the company provided he is able to obtain proxies from the largest shareholders.
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	<p>Holdings of South Alberta Pipe Lines Ltd.:</p> <p>160,001 common shares - book value - \$80,001</p> <p>Market value - not quoted</p> <p>\$622,500 Five per cent First Mortgage Sinking Fund Bonds due May 1, 1966 - book value - \$560,250</p> <p>Market value - not quoted.</p> <p>Holding of Northwest Nitro-Chemicals Ltd.:</p> <p>142,139 common shares - book value - \$ 1,421.39</p> <p>September 30, 1962 - Market value - \$134,321.00</p> <p>1,665 Five per cent preferred shares book value - \$166,500.00</p> <p>Market value - not quoted. -</p> <p>Sales of common shares:</p> <p>Held as per filing statement No. 614 - 352,139 shares</p> <p>Sold August & October, 1961 - 210,000 shares</p> <p>Now held - 142,139 shares</p> <p>Sale price (\$316,143.52 US) - \$326,537.40</p> <p>Book value of shares (adjusted) - \$ 1,808.62</p> <p>Net profit: - \$324,728.78</p>
18. Brief statement of any lawsuits pending or in process against company or its properties.	Claim by De Witt Conklin Organization Inc. (Filing Statement No. 614) for \$8,073.92 was settled out of court by payment of \$2,500.00 and the action was discontinued as of March 2, 1962.
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	Company is a party to sales contracts and/or operating agreements with respect to properties at Etszikom, Stettler and other Alberta areas. The Permina contract and associated participation and operating agreements have been assigned to Asameria Oil (Indonesia) Ltd., Hamilton, Bermuda, a wholly owned subsidiary.
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts. No shares of the company are in the course of primary distribution to the public.

DATED November 26, 1962

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

T. L. Brook

T. L. Brook CORPORATE
SEAL

Glen G. Olmstead

Glen G. Olmstead

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

THE EXCHANGE HAS NEITHER APPROVED NOR DISAPPROVED THE INFORMATION CONTAINED IN THIS FILING STATEMENT, WHICH IS A REPRODUCTION OF THE ORIGINAL FILED WITH THE EXCHANGE BY THE COMPANY AND IS ISSUED FOR INFORMATION PURPOSES ONLY. THIS FILING STATEMENT IS NOT TO BE REPRODUCED IN WHOLE OR IN PART WITHOUT THE WRITTEN APPROVAL OF THE TORONTO STOCK EXCHANGE.

THE TORONTO STOCK EXCHANGE

fb fm
FILING STATEMENT NO. 1351.
FILED, JULY 22nd, 1965.

ASAMERA OIL CORPORATION LTD.

Full corporate name of Company

Letters Patent dated May 12, 1925.

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953 (Ontario) by Letters Patent dated May 1st, 1957).

Reference is made to previous

FILING STATEMENT Filing Statement No. 842.

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.

1 (a) Remedy of a default on Bonds of Flank Oil Co., a subsidiary of Asamera Oil Corporation Ltd., in the principal amount of \$670,000. Such default was cured by:

1. The execution of a substitute promissory note from Flank to Asamera in the amount of \$670,000 in substitute of notes dated May 22, 1958, in the original aggregate amount of \$2,750,000, which substitute note was endorsed and made payable to the Denver United States National Bank, Denver, Colorado.
2. The extension of the maturity date of the bonds by agreement dated November 6, 1961, so that the \$670,000 of bonds remaining would be payable in the amount of \$30,000 on December 1, 1964, \$15,000 on January 1, 1965, and each succeeding month up to and including April 1, 1966, and \$400,000 on May 1, 1966.
3. The assignment of the promissory note and bonds by agreement dated November 6, 1964, to the Denver United States National Bank in consideration of \$670,000 paid to the Royal Bank of Canada to whom the bonds had been originally hypothecated to secure an obligation of the Company.

Since the removal of the default, Flank has made payments reducing the principal amount of bonds outstanding to \$559,940 as at March 31, 1965. (See Item 5 for further reductions).

1 (b) Assignment dated March 31, 1965, of the 38-3/4% interest of CDR Bermuda Ltd. (a subsidiary of Central-Del Rio Oils Limited) in a contract for exploration and development in Indonesia to Asamera Oil (Indonesia) Ltd., a subsidiary of Asamera Oil Corporation Ltd., upon the withdrawal of CDR Bermuda from the project, increasing the interest of Asamera Oil (Indonesia) Ltd. from 40% to 78-3/4%. In consideration of being permitted to withdraw and being relieved of further obligations, CDR Bermuda paid a cash consideration of \$35,000 (US) to Asamera Oil (Indonesia) Ltd. and Asamera Oil (Indonesia) Ltd. assumed unpaid liabilities of CDR Bermuda Ltd. in the amount of \$1,920.55 (US).

2. Head office address and any other office address.

315 - Eighth Avenue S. W., Calgary, Alberta

3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.

Directors elected Annual Meeting July 31, 1964
T.L.Brock, Pres. & Dir. Oil Executive, Calgary, Alberta
K.M.Doze, Vice-Pres. & Dir. Petroleum Engineer, Billings, Montana
G.G.Olmstead, Sec-Treas. & Dir. Corporate Secretary, Calgary, Alberta
A.D.Kingsford, Dir. Registered Professional Engineer, Calgary, Alberta
W.F.Knode, Dir. Corporation Executive, Calgary, Alberta
C.A.Brooks, Dir. General Manager of Oriental Refining, a division of Flank Oil Co., Denver, Colorado
W.M.Reese, Dir. Sales Manager of Oriental Refining, a division of Flank Oil Co., Denver, Colorado

Changes: Resignation - W.F. Knode - April 29, 1965

Appointments: None

4. Share capitalization showing authorized and issued and outstanding capital.

Authorized-\$1,000,000 divided into 10,000,000 shares of par value 40¢.
 Issued and outstanding - \$2,151,800 divided into 6,129,500 shares of par value 40¢.

5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.

	As of March 31/65	Subsequent Payments	July 15/65 Balance
Bank Loans - Asamera	\$ 93,000	\$10,500	\$ 82,500
Mortgage Notes - Flank	\$1,367,733	\$367,733	\$1,000,000
Mortgage Bonds - Flank	\$ 559,940	\$559,940	-

6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.

Employee Stock Options - as of March 31, 1965:

275,000 shares @ 50¢ per share
 45,000 shares @ \$1.10 per share
 180,000 shares are reserved for future options
 Subsequent to March 31, 1965, an option to purchase 50,000 shares at 50 cents per share was exercised thereby increasing the issued and outstanding capital from 6,079,500 to 6,129,500 shares.

7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	Not applicable.										
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	Not applicable										
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	<p>Through its subsidiary, Asameria Oil (Indonesia) Ltd., the Company intends to continue its exploration and development program under the terms of a contract with P.N. Permina, a state owned oil company in the Republic of Indonesia, where a commercial oil discovery was made in April, 1965. Plans include the drilling of up to five development wells to be completed before the end of 1965.</p> <p>In the United States the Company, through its subsidiary, Flank Oil Co., intends to maintain its substantial production and marketing facilities.</p> <p>The Company has no plans for expansion in Canada.</p>										
10. Brief statement of company's chief development work during past year.	During the past year the Company, through its subsidiary, Asameria Oil (Indonesia) Ltd., drilled three wells in North Sumatra, Republic of Indonesia. Two of these were dry and abandoned, but the third well resulted in an oil well, as mentioned in Item 9 above. Just prior to the discovery, the interest of Asameria Oil (Indonesia) Ltd., the operator of the project, was increased from 40 per cent to 78-3/4 per cent through the withdrawal of CDR Bermuda from further participation in operations and the assignment of its interest as of Item 1 (b) above.										
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Not applicable										
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable										
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	Not applicable										
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable										
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>As of June 25, 1965:</p> <table> <tbody> <tr> <td>Merrill Lynch, Pierce, Fenner & Smith Inc., Toronto, Canada</td> <td>273,153</td> </tr> <tr> <td>Bache & Co., New York, N.Y.</td> <td>240,637</td> </tr> <tr> <td>T. L. Brook, Calgary, Alberta</td> <td>183,300</td> </tr> <tr> <td>Shearson Hammill & Co., New York, N. Y.</td> <td>183,210</td> </tr> <tr> <td>Lehman Bros. & Co., New York, N. Y.</td> <td>153,016</td> </tr> </tbody> </table> <p>With the exception of T. L. Brook, the above are brokerage firms and the beneficial owners are not known.</p>	Merrill Lynch, Pierce, Fenner & Smith Inc., Toronto, Canada	273,153	Bache & Co., New York, N.Y.	240,637	T. L. Brook, Calgary, Alberta	183,300	Shearson Hammill & Co., New York, N. Y.	183,210	Lehman Bros. & Co., New York, N. Y.	153,016
Merrill Lynch, Pierce, Fenner & Smith Inc., Toronto, Canada	273,153										
Bache & Co., New York, N.Y.	240,637										
T. L. Brook, Calgary, Alberta	183,300										
Shearson Hammill & Co., New York, N. Y.	183,210										
Lehman Bros. & Co., New York, N. Y.	153,016										

ASAMERA OIL CORPORATION LTD.

(Incorporated under the laws of Canada)

CONSOLIDATED BALANCE SHEET

MARCH 31, 1965 AND 1964

ASSETS

	1965	1964	
CURRENT:			1964
Cash	\$ 553,189	\$ 240,399	\$ 1,059,060
Accounts receivable	324,154	525,688	1,612,653
Inventories valued at the lower of cost or market	353,701	1,302,498	414,136
Prepaid expenses	23,402	35,213	—
Total current assets	\$ 1,256,446	\$ 2,103,798	\$ 3,085,854
INVESTMENTS AT COST	—	167,747	—
FIXED (Note 2):			
Property, plant and equipment at cost	\$ 4,419,431	\$ 5,241,179	\$ 1,206,093
Less accumulated depreciation and depletion	2,652,181	2,568,481	625,000
\$ 1,767,300	\$ 2,672,698	—	\$ 1,581,093
OTHER:			
Account receivable (Note 3):	\$ 178,706	—	\$ 1,747,673
Deferred charges re Indonesia (Note 4):	1,544,404	1,349,040	\$ 1,831,063
Deposits	11,227	6,233	—
Organization expenses	2,453	2,453	—
\$ 1,736,790	\$ 1,357,726	—	\$ 2,431,800

13

	1965	1964	
CURRENT:			1964
Bank loan (Note 5)	—	\$ 93,000	\$ 1,059,060
Accounts payable and accrued charges	856,432	856,432	1,612,653
Accrued interest	11,462	11,462	414,136
Current maturities of Mortgage Bonds	180,000	180,000	—
Total current liabilities	\$ 1,140,894	\$ 1,140,894	\$ 3,085,854
LONG TERM DEBT (Note 6):			
3% Mortgage Note (1964—6%):	—	\$ 1,367,733	—
6% Mortgage Notes	—	—	—
6% Mortgage Bonds	559,940	559,940	—
Less Mortgage Bond installments due within one year included in current liabilities	\$ 1,927,673	\$ 1,927,673	\$ 1,927,673
SHAREHOLDERS' EQUITY:			
Capital (Note 7):			
Authorized — 10,000,000 shares of a par value of 40c each		\$ 2,431,800	\$ 2,431,800
Issued — 6,079,500 shares		2,838,702	2,838,702
Paid-in surplus		—	—
Deficit	—	—	—
On behalf of the Board:			
T. L. BROOK, Director.		3,410,418	\$ 5,270,502
K. M. DOZE, Director.		3,410,418	3,906,028
\$ 6,301,969	\$ 6,301,969	\$ 1,362,474	\$ 1,362,474
		\$ 4,760,536	\$ 6,301,969

(See accompanying notes)

AUDITORS' REPORT

To the Shareholders of Asamer Oil Corporation Ltd.
 We have examined the consolidated balance sheet of Asamer Oil Corporation Ltd. and its subsidiaries as at March 31, 1965 and the statement of consolidated profit and loss and deficit for the year ended on that date and have obtained all the information and explanations we have required. Our examination of the financial statements of Asamer Oil Corporation Ltd. (the Parent company) was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We have relied on the reports of the auditors who have examined the financial statements of the subsidiaries.

In our opinion, subject to the collection of an account receivable referred to in Note 3, the statements mentioned above present fairly on a consolidated basis the financial position of Asamer Oil Corporation Ltd. and its subsidiaries as at March 31, 1965 and the results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

CALGARY, Canada
 July 7, 1965

CLARKESON, GORDON & CO.
 Chartered Accountants

ASAMERA OIL CORPORATION LTD.

STATEMENT OF CONSOLIDATED PROFIT AND LOSS AND DEFICIT

FOR THE YEARS ENDED MARCH 31, 1965 AND 1964

INCOME:	1965	1964
Gross profit on sales of crude oil and gas, refined products, etc.	\$ 567,992	\$ 548,346
Bond interest	—	26,248
Sundry	52,145	72,391
	<hr/>	<hr/>
	\$ 620,137	\$ 646,985
 EXPENSES:		
General and administrative	\$ 378,620	\$ 418,041
Exploration and development	2,109	6,430
Interest and exchange	100,492	285,731
	<hr/>	<hr/>
	\$ 481,221	\$ 710,202
 PROFIT (LOSS) BEFORE DEPRECIATION, DEPLETION, ETC.	<u>\$ 138,916</u>	<u>\$ (63,217)</u>
 DEDUCT:		
Provision for depreciation	\$ 266,826	\$ 341,554
Provision for depletion	33,414	39,653
Profit on sale of fixed assets	—	(7,068)
	<hr/>	<hr/>
	\$ 300,240	\$ 374,139
 LOSS BEFORE PROFIT ON SALE OF INVESTMENTS AND PROPERTIES	<u>\$ 161,324</u>	<u>\$ 437,356</u>
Profit on sale of investments	\$ 194,985	104,668
Profit on sale of properties	463,949	—
	<hr/>	<hr/>
	\$ 658,934	\$ 104,668
 NET PROFIT (LOSS) FOR THE YEAR (Note 9)	<u>\$ 497,610</u>	<u>\$ (332,688)</u>
DEFICIT AT BEGINNING OF YEAR	<u>3,908,028</u>	<u>3,575,340</u>
 DEFICIT AT END OF YEAR	<u><u>\$ 3,410,418</u></u>	<u><u>\$ 3,908,028</u></u>

(See accompanying notes)

NOTES TO FINANCIAL STATEMENTS

March 31, 1965

NOTE 1. Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Flank Oil Co. (a United States company) and Asamera Oil (Indonesia) Ltd. (a Bermuda company). The assets, liabilities and earnings of Flank Oil Co. are included in the consolidated financial statements on the basis that one United States dollar is equal to one Canadian dollar. The accounts of Asamera Oil (Indonesia) Ltd. have been converted to Canadian dollars on the following basis: current assets and current liabilities at the rate of exchange in effect at the year end and fixed assets, expenses and revenue (presently deferred in the accounts) at the average rate of exchange for the year.

NOTE 2. Fixed Assets

The companies' investment in property, plant and equipment consists of the following:

	1965	1964
Land	\$ 227,601	\$ 295,944
Buildings	500,685	643,001
Equipment	3,310,893	3,719,711
Producing properties and well costs	326,343	438,169
Non-producing properties	53,959	84,354
	<hr/>	<hr/>
Less accumulated depreciation and depletion	\$ 4,419,481	\$ 5,241,179
	2,652,181	2,568,481
	<hr/>	<hr/>
	\$ 1,767,300	\$ 2,672,698

Flank Oil Co.'s refineries at Denver and Alamosa, Colorado, were closed during the year and its crude oil is now being refined by other refiners under processing agreements. Idle refinery buildings and equipment are carried in the accounts at a net book value of approximately \$510,000.

Subsequent to March 31, 1965 Flank Oil Co. sold certain producing oil and gas properties, carried in the accounts at a net book value of approximately \$110,000, for a cash consideration of \$1,050,000. The properties sold produced approximately 40% of Flank's gross revenues from crude oil and gas production and sales.

NOTE 3. Account Receivable

This account represents an amount overdue from a customer. Management is of the opinion that substantially all of the account will ultimately be collected and, therefore, no provision for loss, if any, has been made in the financial statements.

NOTE 4. Indonesia

The company, as operator and in association with other companies, entered into an agreement with P. N. Perminu, a State Enterprise of the Republic of Indonesia, for the joint exploration and development of certain areas on the Island of Sumatra. In 1963, the Company assigned its 45% interest in the Indonesian Agreement to its subsidiary, Asamera Oil (Indonesia) Ltd., and an exploration program was commenced. During the 1964 fiscal year the latter company sold 5/45 of its interest in the agreement for \$134,974 (\$125,000 U.S.) cash thereby reducing its interest to 40% and during the current year acquired the 38.75% interest of one of the companies associated in the venture.

NOTES: CONT'D.

A summary of the company's expenditures to March 31, 1965 is as follows:	
2,070,000 shares of the Company's capital stock valued at 40c per share issued for services and for the acquisition of petroleum rights and shares of an Indonesian company	\$ 828,000
Cash expenditures for preliminary work, equipment, exploration costs and other charges of which \$165,364 was expended during the year	851,378
	\$ 1,679,378
Less proceeds of sale of interest in agreement	134,974
	\$ 1,544,404

Costs incurred on the Indonesian project are being deferred pending receipt of production revenue.

NOTE 5. Bank Loan

The Company's bank loan is secured by a general assignment of book debts and the hypothecation of the Company's investment in and advances to its subsidiary, Flank Oil Co.

NOTE 6. Long Term Debt

The 6% Mortgage Bonds payable by Flank Oil Co., secured by the property and equipment of that company, were paid and cancelled subsequent to March 31, 1965 from the proceeds of the sale of the company's producing oil and gas properties referred to in Note 2.

The 3% Mortgage Note of Flank Oil Co. was created on April 30, 1964 as a result of the repayment and consolidation of certain liabilities to the Note holders. The Note is secured by a second mortgage on Flank's property and equipment and is repayable in principal amounts of \$15,000 per month commencing in the month following repayment of the Mortgage Bonds referred to in the preceding paragraph. A payment of \$367,733 was made on the Note subsequent to March 31, 1965 from the proceeds of the sale of properties referred to above.

NOTE 7. Capital

500,000 shares of the Company's capital stock were reserved at March 31, 1965 as follows:
275,000 shares for options granted to officers and directors to purchase shares at 50c per share, exercisable on various dates to April 18, 1967.
225,000 shares under an Employee Stock Option Plan. An option has been granted to an employee under the Plan to purchase 45,000 shares at \$1.10 per share, exercisable on various dates to April 24, 1968.

NOTE 8. Profit and Loss

Remuneration of executive officers and legal advisors amounted to \$83,867 and \$23,690 respectively in 1965.

NOTE 9. Income Taxes

No income taxes appear to be payable on the net profit for the year as a result of the carry forward for Canadian tax purposes of drilling and exploration expenses incurred in previous years, some of which have been capitalized in the accounts, and depletion deductions allowable for United States tax purposes.

NOTE 10. Subsequent Transaction

On June 1, 1964 Flank Oil Co. entered into employment contracts with four key employees which provided, in addition to annual compensation, for a percentage allocation of the net profits and/or residual benefits of the Oriental Division to each of these employees. By an agreement dated June 10, 1965 Asamera Oil Corporation Ltd. purchased all of the employees' rights and interests, except annual compensation, for \$160,000.

ASAMERA OIL CORPORATION LTD.

CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

MARCH 31, 1965

Sources:

Loss for the year before profit on sale of investments and properties	\$ 161,324
Deduct non-cash charges:	
Depreciation	\$266,826
Depletion	33,411
Abandonments	1,852
	<u>302,099</u>
Funds provided from operations	-110,775
Proceeds from sale of investments	395,532
Proceeds from sale of fixed assets	<u>1,136,274</u>
	<u>\$1,672,581</u>

Applications:

Investment in fixed assets	\$ 69,106
Purchase of Investments	32,800
Increase of deposits	1,991
Overdue account receivable	178,706
Increase in deferred charges re Indonesia	195,361
Decrease in long-term debt	83,420
Decrease in foreign exchange differential	<u>10,662</u>
	<u>\$ 571,973</u>
Increase in working capital	<u>\$1,097,608</u>

STATEMENT OF MATERIAL CHANGE

To the Toronto Stock Exchange:

In the matter of Filing Statement dated July 15, 1965,
we state that other than the material changes as disclosed in the
notes in the audited financial statements of Asamera Oil Corporation
Ltd. for the year ended March 31, 1965, there have been no material
changes in the items on the Balance Sheet since the date thereof to
July 15, 1965.

ON BEHALF OF THE BOARD

T. L. Brook, Director
T. L. Brook, Director

John G. Olmstead
John G. Olmstead, Director

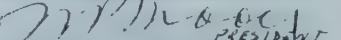
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	No person has shareholdings large enough to materially affect control of the Company. However, Mr. Brook is in a position to affect control provided management is able to obtain proxies from the largest shareholders.															
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	<p>Investments sold during year:</p> <table> <thead> <tr> <th></th> <th style="text-align: right;"><u>Cost</u></th> <th style="text-align: right;"><u>Proceeds</u></th> </tr> </thead> <tbody> <tr> <td>Northwest Nitro-Chemicals Ltd. - 5% Preferred</td> <td style="text-align: right;">\$166,500</td> <td style="text-align: right;">\$126,606</td> </tr> <tr> <td>Commercial Solvents Corporation - "A" Preferred 4-1/2%</td> <td style="text-align: right;">1,247</td> <td style="text-align: right;">242,141</td> </tr> <tr> <td>* Home Oil Co. Ltd. "B"</td> <td style="text-align: right;">32,800</td> <td style="text-align: right;">26,785</td> </tr> <tr> <td></td> <td style="text-align: right;"><u>\$200,547</u></td> <td style="text-align: right;"><u>\$395,532</u></td> </tr> </tbody> </table> <p>* Purchased and sold during year.</p>		<u>Cost</u>	<u>Proceeds</u>	Northwest Nitro-Chemicals Ltd. - 5% Preferred	\$166,500	\$126,606	Commercial Solvents Corporation - "A" Preferred 4-1/2%	1,247	242,141	* Home Oil Co. Ltd. "B"	32,800	26,785		<u>\$200,547</u>	<u>\$395,532</u>
	<u>Cost</u>	<u>Proceeds</u>														
Northwest Nitro-Chemicals Ltd. - 5% Preferred	\$166,500	\$126,606														
Commercial Solvents Corporation - "A" Preferred 4-1/2%	1,247	242,141														
* Home Oil Co. Ltd. "B"	32,800	26,785														
	<u>\$200,547</u>	<u>\$395,532</u>														
18. Brief statement of any lawsuits pending or in process against company or its properties.	Not applicable.															
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	The company is a party to contracts and agreements with respect to its Canadian properties, and with respect to its United States and Indonesian operations through subsidiary companies.															
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	<p>No shares of the Company are in the course of primary distribution to the public.</p> <p>Reference is made to the Financial Statement of the Company dated March 31, 1965, and to the accompanying notes thereto.</p> <p>There are no other material facts.</p>															

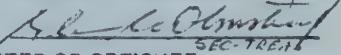
CERTIFICATE OF THE COMPANY

DATED July 15, 1965

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

ASAMERA OIL CORPORATION LTD.

"T.L. Brook"  CORPORATE SEAL

"G.G. Olmstead"  SEC-TREAS

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

THE TORONTO STOCK EXCHANGE

25/1/68

FILING STATEMENT NO. 1603.
FILED, APRIL 1, 1968.

SH
ASAMERA OIL CORPORATION LTD.

Full corporate name of Company
Letters Patent dated May 12, 1925

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953

(Ontario) by Letters Patent dated May 1st, 1957. Reference is made to previous
FILING STATEMENT Filing Statement No. 1351.

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company, in respect of which this statement is filed.

The Company has authorized the issuance of 225,000 shares of its capital stock of a par value of \$0.40 to Refining Associates (Canada) Ltd. as consideration for the sale by Refining and the purchase by Asameria of the 10 per cent interest of Refining in a contract with P. N. Pertambangan Minjak Nasional, an Indonesian Corporation, (hereinafter referred to as "Permina") and as defined in operating agreements relating thereto. The interest of Refining Associates so acquired is to be assigned to the subsidiary of Asameria, Asameria Oil (Indonesia) Ltd., (hereinafter referred to as "Asameria Indonesia") so that the division of interest in the Permina Contract shall be as follows:

Asameria Oil (Indonesia) Ltd.	60 %
Union Texas Indonesia Ltd.	30 %
Benedum-Trees Oil Company	10 %

Asameria Indonesia is obligated to offer the 10 per cent interest to be acquired to the other participants in the Permina contract on a proportionate basis at cost. In the event that Union Texas and Benedum-Trees accepted the offer, the interest of Asameria Indonesia would be reduced by three per cent and one per cent, respectively.

By agreement of December 1, 1965, whereby Asameria Indonesia sold a 30 per cent interest to Union Texas Indonesia Ltd., Union Texas holds an option exercisable to September 11, 1968, to acquire a further ten per cent interest in the Permina Contract for \$2,500,000 payable in cash or out of production, depending on the date of exercise.

2. Head office address and any other office address.

315 Eighth Avenue S. W., Calgary, Alberta.

3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.

Elected at Annual Meeting July 24, 1967:
T. L. BROOK, President, Asameria, Calgary, Alberta.
C. A. BROOKS, General Manager and Sales Supervisor of the Company's subsidiary Flank Oil Co., Denver, Colorado.
K. M. DOZE, Owner, Overseas Management Inc., Billings, Montana. Registered Petroleum Engineer.
S. P. KING, Executive Vice President, Asameria; President, Sadim Oil & Gas Ltd.; President, S.P. King Consultants Ltd. Registered Petroleum Engineer, Calgary, Alberta.
W. F. MOORE, President, Grizzly Petroleum Limited, Registered Petroleum Engineer, Calgary, Alberta.
J. A. MILLARD, A partner of the firm of Mackimmie, Matthews, Wood, Phillips & Smith, Barristers & Solicitors, Calgary, Alberta.
G. G. OLSTEAD, Secretary-Treasurer, Asameria, Calgary, Alberta

4. Share capitalization showing authorized and issued and outstanding capital.

Authorized: \$4,000,000 divided into 10,000,000 shares of par value of \$0.40.
Issued and outstanding: \$2,563,800 divided into 6,409,500 shares of par value of \$0.40

5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.

See Balance Sheet dated September 30, 1967 for details.

6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.

Employee Stock Options.

Under option to employees:

10,000 shares at \$1.51 $\frac{1}{2}$ expires June 16, 1970
50,000 shares at \$3.67 $\frac{1}{2}$ expires January 10, 1977
10,000 shares at \$3.70 expires April 11, 1972

Reserves for granting of future options to employees:

100,000 shares under Employees Incentive Stock Option Plan.

7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	Not applicable.										
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	Not applicable.										
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	<p>Through its subsidiary, Asamer Oil (Indonesia) Ltd., the Company intends to continue its development and exploration program in the Republic of Indonesia under the terms of its contract with P. N. Permina. In the Geudondong Field, where ten productive wells have been drilled to date, drilling of up to ten additional wells is planned, and exploratory wells are to be drilled in the Iee Tabeue and other areas.</p> <p>In the United States, through its subsidiary, Flank Oil Co., the Company intends to maintain its production and its marketing facilities in the Colorado, Wyoming and New Mexico areas.</p> <p>The Company has no exploration or development plans in Canada.</p>										
10. Brief statement of company's chief development work during past year.	During 1967 the Company completed its off-shore loading facilities and commenced production and shipping of oil from the Geudondong Oil Field with over 1,300,000 barrels of oil being shipped to date. Three development wells were drilled in the Geudondong Field and exploratory wells were drilled in the Iee Tabeue, Kroeng Merbau and North Geudondong areas.										
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Refining Associates (Canada) Ltd., P. O. Box 680, Hong Kong, for consideration of 225,000 shares of the capital stock of the Company (see Item 1 above)										
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	<p>Refining Associates (Canada) Ltd. is a private company.</p> <p>No officer and/or director of Asamer Oil Corporation Ltd. or of any of its subsidiaries has any interest in Refining Associates (Canada) Ltd.</p>										
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	Not applicable.										
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable.										
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>As of December 15, 1967:</p> <table> <tbody> <tr> <td>T. L. Brook, Calgary, Alberta</td> <td>177,001</td> </tr> <tr> <td>Merrill Lynch, Pierce, Fenner & Smith Inc., Toronto, Ont.</td> <td>281,555</td> </tr> <tr> <td>Shearson, Hammill & Co., Inc., New York, N.Y.</td> <td>155,349</td> </tr> <tr> <td>Burnham & Company, New York, N.Y.</td> <td>151,075</td> </tr> <tr> <td>Bache & Co., Toronto, Ontario</td> <td>144,862</td> </tr> </tbody> </table> <p>In addition to the number of shares registered in his name, Mr. T. L. Brook, Director and President of Asamer, also beneficially owns 230,602 shares. With the exception of Mr. T. L. Brook, the above shareholders are brokerage firms and the beneficial owners are not known.</p>	T. L. Brook, Calgary, Alberta	177,001	Merrill Lynch, Pierce, Fenner & Smith Inc., Toronto, Ont.	281,555	Shearson, Hammill & Co., Inc., New York, N.Y.	155,349	Burnham & Company, New York, N.Y.	151,075	Bache & Co., Toronto, Ontario	144,862
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Bache & Co., Toronto, Ontario	144,862										

PREPARED WITHOUT AUDIT

ASAMERA OIL CORPORATION LTD.

STATEMENT OF CONSOLIDATED PROFIT AND LOSS AND DEFICIT

FOR THE SIX MONTHS ENDED SEPTEMBER 30, 1967

Sales of crude oil and gas, refined products, etc.	\$2,445,015
Cost of sales	<u>2,076,336</u>
Gross profit	368,679
Share of income from Indonesian oil sales	272,123
Sundry income	<u>30,902</u>
	671,704
Expenses:	
General and administrative	\$167,148
Interest and exchange	<u>9,180</u>
	176,328
Profit before the following	495,376
Deduct:	
Provision for depreciation	34,415
Provision for depletion	6,292
Amortization of deferred charge	<u>17,280</u>
	57,987
Net profit for the period	437,389
Deficit at April 1, 1967	<u>3,324,061</u>
Deficit at September 30, 1967	\$2,886,672

(See accompanying notes)

PREPARED WITHOUT AUDIT

ASAMERA OIL CORPORATION LTD.

STATEMENT OF CONSOLIDATED SOURCE AND APPLICATION OF FUNDS

FOR THE SIX MONTHS ENDED SEPTEMBER 30, 1967

Source of funds:

Provided by Union Texas (Indonesia) Ltd. for exploration and development in Indonesia (Note 3)	\$ 827,994
Net profit for the period before non-cash items	495,376
Recovery of Indonesian expenditures	338,850
Issue of shares of capital stock	20,650
Other	<u>42,403</u>
	1,725,273

Application of funds:

Exploration and development costs in respect of Indonesian venture	\$935,976
Long term debt	<u>97,000</u>
Increase in working capital	\$ 692,297

PREPARED WITHOUT AUDIT
ASAMERA OIL CORPORATION LTD.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 1967

1. Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Flank Oil Co. (a United States company) and Asameria Oil (Indonesia) Ltd. (a Bermuda company). The assets, liabilities and earnings of Flank Oil Co. are included in the consolidated financial statements on the basis that one United States dollar is equal to one Canadian dollar. The accounts of Asameria Oil (Indonesia) Ltd. have been converted to Canadian dollars on the following basis: current assets and current liabilities at the rate of exchange in effect at September 30, and fixed assets, expenses and revenue at the average rate of exchange for the period.

2. Fixed Assets

The companies' investment in property, plant and equipment consists of the following:

Land	\$ 287,051
Buildings	512,411
Equipment	1,624,369
Producing properties and well costs	257,412
Non-producing properties	40,293
	<u>\$2,721,536</u>

3. Indonesia

The Company, through Asameria (Indonesia) Ltd., holds a 50% interest in an agreement it arranged with P. N. Permina, a State Enterprise of the Republic of Indonesia, for the joint exploration and development of certain areas on the Island of Sumatra.

On December 1, 1965 Asameria Oil (Indonesia) Ltd. sold a 30% interest in this agreement to Union Texas (Indonesia) Ltd. for \$625,000 U.S. cash and the assumption of Asameria's share of the cost of future exploration and development costs under the Permina agreement to a maximum amount of \$2,375,000 U.S. Union Texas paid \$1,608,338 U.S. (\$1,734,753 Canadian) on account of Asameria's share of costs to March 31, 1967 and the balance of \$766,662 U.S. (\$827,994 Canadian) during the period ended September 30, 1967. Union Texas also holds an option exercisable to September 11, 1968 to acquire a further 10% interest in the agreement from Asameria for \$2,500,000 U.S. payable in cash or out of production depending on the date of exercise.

The Company has offered to purchase for the account of its subsidiary a further 10% interest in the agreement from one of the other participants in exchange for 225,000 shares of the Company's capital stock.

Under the terms of Permina agreement, amounts expended by Asameria (Indonesia) Ltd. and the other participants on exploration, development, equipment, technical personnel, etc. are recoverable out of 40% of the proceeds of production; the remaining 60% of the proceeds are allocated 60% to Permina and 40% to the participants. The expenditures recoverable by the company from 40% of the proceeds of production are substantially in excess of the amount carried in the Company's accounts, chiefly because of expenditures made on its behalf by the other participants.

To March 31, 1967 Asameria Oil (Indonesia) Ltd. followed the practice of deferring all costs incurred on the Indonesian venture net of amounts received pending the receipt of production revenue in commercial quantities. During the current period, oil was produced in commercial quantities and effective April 1, 1967, the Company's share of income from Indonesian oil sales has been included in profit and loss.

A summary of the carrying value of the recoverable expenditures is as follows:

Shares of capital stock issued for services and acquisition of petroleum rights	\$ 828,000
Cash expenditures for exploration development equipment, overhead, etc.	<u>1,245,254</u>
	2,073,254
Less proceeds of sale of interests in agreement, etc.	<u>683,469</u>
Balance at March 31, 1967	1,389,785
Deduct:	
Expenditures recovered from 40% proceeds of production	\$338,850
Adjustment of overhead charges applicable to previous years	<u>38,801</u> <u>377,651</u>
	1,012,134
Add cash expenditures during the period for exploration, development and equipment	935,976
Less expended on behalf of the company by Union Texas (Indonesia) Ltd.	<u>827,994</u> <u>107,982</u>
Balance at September 30, 1967	<u>\$1,120,116</u>

4. Bank Loan

The Company's bank loan is secured by a general assignment of book debts and the hypothecation of the Company's investment in and advances to its wholly-owned subsidiary, Flank Oil Co.

5. Long Term Debt

The 3% Mortgage Note of Flank Oil Co. is secured by a mortgage on Flank's property and equipment and is repayable in principal amounts of \$15,000 per month.

6. Capital

During the period the Company issued 15,000 shares for a cash consideration of \$20,650 on the exercise of a stock option. Of the total consideration \$6,000 was credited to share capital and \$14,650 was credited to paid-in surplus.

At September 30, 1967, 182,500 shares of the Company's capital stock were reserved under an Employee Stock Option Plan and options have been granted under the Plan to purchase shares as follows:

April 24, 1963	- 12,500 shares at \$1.10 per share exercised as to 5,000 shares October 17, 1967 and as to 7,500 shares January 2, 1968
June 16, 1965	- 10,000 shares at \$1.51 $\frac{1}{2}$ per share exercisable on various dates to June 16, 1970
January 10, 1967	- 50,000 shares at \$3.62 $\frac{1}{2}$ per share exercisable on various dates to January 10, 1972
April 11, 1967	- 10,000 shares at \$3.70 per share exercisable on various dates to April 11, 1972.

7. Commitment

Asamera Oil (Indonesia) Ltd. has entered into a further agreement with P. N. Permina to explore and develop acreage adjacent to that covered in its present agreement (see Note 3) and in this connection has agreed to expend a minimum of \$2,100,000 U.S. commencing September 1, 1967 in annual instalments of \$300,000, \$600,000 and \$1,200,000.

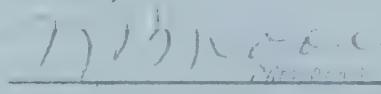
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	No person has shareholdings large enough to materially affect control of the Company. However, Mr. T. L. Brook, Director and President, as head of management is in a position to affect control provided management is able to obtain proxies from a majority of shareholders.
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	Not applicable.
18. Brief statement of any lawsuits pending or in process against company or its properties.	Not applicable.
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	The Company is a party to contracts and agreements with respect to its Canadian interests and with respect to its United States and Indonesian operations through subsidiary companies.
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	No shares of the Company are in the course of primary distribution by the Company

DATED January 19, 1968.

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"T. L. Brook"

 **CORPORATE
SEAL**

"G. G. Olmstead"



CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

THE TORONTO STOCK EXCHANGE

14
FILING STATEMENT NO. 1634.
FILED, AUGUST 16th, 1968

ASAMERA OIL CORPORATION LTD.

Full corporate name of Company

Letters Patent dated May 12, 1968

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953
(Ontario) by Letters Patent dated May 1st, 1957).Reference is made to previous
Filing Statement No. 1603

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things,
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.

By agreement dated 16 July, 1968, the effective date of which was 22 July, 1968, between Asameria Oil (Indonesia) Ltd., Benedum-Trees Oil Company, Union Texas (Indonesia) Ltd. (hereinafter collectively referred to as "Seller") and Mobil Oil Indonesia Inc. (hereinafter referred to as "Buyer"), Asameria Oil (Indonesia) Ltd. has sold its interest in an agreement with P. N. Permina for the exploration and development of a certain area in North Sumatra, Republic of Indonesia.

The interest of the Seller is divided in the proportion of:

Asameria Oil (Indonesia) Ltd.	60 %
Benedum-Trees Oil Company	10 %
Union Texas (Indonesia) Ltd.	30 %

Under the agreement the Seller assigned all its interest in Contract Area "B" to Buyer (it being understood that the agreement does not cover any of Seller's interest in Contract Area "A") and Buyer assumed all of the obligations of Seller in and under the development agreement with P. N. Permina relating to Contract Area "B".

The consideration paid or to be paid by Buyer to Seller was arrived at by negotiation between the parties thereto and is made up of a cash consideration of \$1,000,000 U. S. to be paid 10 days after the effective date, \$1,000,000 U. S. to be paid 12 months after the effective date and \$1,000,000 U. S. 24 months after the effective date together with interest at the lowest rate charged from time to time by the First National Bank of New York for commercial loans to its prime customers on the portion of such \$3,000,000 U. S. remaining unpaid after 10 days after the effective date, and the payment to Seller from the proceeds of sale of crude oil of not less than 3 1/2 cents and not more than 4 cents in respect of each barrel of crude oil produced and saved from Contract Area "B".

The agreement provides further that if Buyer elects at any time to terminate operations on Contract Area "B" it shall offer to return to Seller Buyer's remaining rights.

The proportionate share of the consideration to Asameria Oil (Indonesia) Ltd. is 60 per cent except that by separate agreement between Asameria Oil (Indonesia) Ltd., Benedum-Trees Oil Company and Union Texas (Indonesia) Ltd. out of the first payment of \$1,000,000 U. S. out of the total cash consideration of \$3,000,000 U. S. Asameria Oil (Indonesia) Ltd. shall receive \$250,000 U. S. and the balance of \$750,000 U. S. shall be divided proportionately between Asameria Oil (Indonesia) Ltd., Benedum-Trees Oil Company and Union Texas (Indonesia) Ltd.

2. Head office address and any other office address.

315 - 8th Avenue S. W., Calgary, Alberta

3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.

Elected at Annual Meeting July 31, 1968:
T. L. BROOK, President, Asameria, Calgary, Alberta
C. A. BROOKS, General Manager and Sales Supervisor of the Company's subsidiary Flank Oil Co., Denver, Colorado.
K. M. DOZE, Owner, Overseas Management Inc., Billings, Montana
S. P. KING, Executive Vice President, Asameria; President, Sadim Oil & Gas Ltd.; President, S. P. King Consultants Ltd.
 Registered Petroleum Engineer, Calgary, Alberta.
W. F. Knode, President, Grizzly Petroleum Limited, Registered Petroleum Engineer, Calgary, Alberta.
J. A. MILLARD, Partner of the firm of Mackimmie, Matthews, Wood, Phillips & Smith, Barristers & Solicitors, Calgary, Alberta.
G. G. OLSTEAD, Secretary-Treasurer, Asameria, Calgary, Alberta.

4. Share capitalization showing authorized and issued and outstanding capital.	Authorized \$4,000,000 divided into 10,000,000 shares of par value \$0.40 Issued and outstanding \$2,653,800 divided into 6,634,500 shares of par value of \$0.40										
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	See Consolidated Balance Sheet for the year ended March 31, 1968 - Note 4.										
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	<p>Employee Stock Options:</p> <p>Under option to employees:</p> <p>10,000 shares at \$1.51 1/2 - expires June 16, 1970 50,000 shares at \$3.62 1/2 - expires January 10, 1972 10,000 shares at \$3.70 - expires April 11, 1972</p> <p>Reserved for granting of future options to employees: 100,000 shares under Employee Incentive Stock Option Plan.</p>										
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	Not applicable.										
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	Not applicable.										
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	Through its subsidiary, Asamera Oil (Indonesia) Ltd., the Company intends to continue its development and exploration program on Block "A", North Sumatra, Republic of Indonesia, where the Company and its associates are currently producing approximately 6500 barrels of crude oil per day. In the United States through its subsidiary, Flank Oil Co., the company intends to maintain its production and its marketing facilities in the Colorado, Wyoming and New Mexico areas. The Company has no plans for exploration or development in Canada.										
10. Brief statement of company's chief development work during past year.	The Company, through its subsidiary Asamera Oil (Indonesia) Ltd., has been active in developing the Geudondong oil field on Block "A" in North Sumatra, and in the current calendar year to date has drilled 15 development and exploratory wells in the Geudondong and adjacent area.										
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Not applicable.										
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable.										
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	Not applicable.										
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings. (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.)	Not applicable.										
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<p>As of June 21, 1968:</p> <table> <tbody> <tr> <td>1. T. L. Brook, Calgary, Alberta</td> <td>154,001</td> </tr> <tr> <td>2. Merrill Lynch, Pierce, Fenner & Smith Inc., Toronto, Ontario</td> <td>321,688</td> </tr> <tr> <td>3. Bache & Co., New York, N.Y.</td> <td>187,095</td> </tr> <tr> <td>4. Shearson, Hammill & Co. Inc. New York, N.Y.</td> <td>166,725</td> </tr> <tr> <td>5. Hayden, Stone Incorporated New York, N.Y.</td> <td>154,112</td> </tr> </tbody> </table> <p>In addition to the number of shares registered in his name, Mr. T. L. Brook also beneficially owns 186,102 shares. With the exception of Mr. Brook, the above shareholders are brokerage firms and the beneficial owners are not known.</p>	1. T. L. Brook, Calgary, Alberta	154,001	2. Merrill Lynch, Pierce, Fenner & Smith Inc., Toronto, Ontario	321,688	3. Bache & Co., New York, N.Y.	187,095	4. Shearson, Hammill & Co. Inc. New York, N.Y.	166,725	5. Hayden, Stone Incorporated New York, N.Y.	154,112
1. T. L. Brook, Calgary, Alberta	154,001										
2. Merrill Lynch, Pierce, Fenner & Smith Inc., Toronto, Ontario	321,688										
3. Bache & Co., New York, N.Y.	187,095										
4. Shearson, Hammill & Co. Inc. New York, N.Y.	166,725										
5. Hayden, Stone Incorporated New York, N.Y.	154,112										

ASAMERA OIL CORPORATION LTD.

(Incorporated under the laws of Canada)

AND ITS SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

MARCH 31, 1968 AND 1967

ASSETS		LIABILITIES	
CURRENT:		CURRENT:	
Cash	1968 \$ 673,274	1967 \$ 596,767	1968 \$ 1067
Term deposit			75,000
Accounts receivable			\$ 129,788
Inventories valued at the lower of cost or net realizable value			833,678
Prepaid expenses			893,921
			177,666
			187,322
			194,850
			180,000
Total current assets	1,526,417	Total current liabilities	1,281,194
FIXED (Note 2):		LONG TERM DEBT (Note 4):	
Property, plant and equipment at cost		3% Mortgage Note less instalments due within	
Idle plant at estimated salvage value	33,390	One year included in current liabilities	184,043
			357,017
			8,166
			3
OTHER:		ACCUMULATED FOREIGN EXCHANGE DIFFERENTIAL	
Indonesian expenditures recoverable from proceeds of production (Note 3)	2,753,155	Capital (Note 5)	
Deferred charge less amounts amortized	1,865,508	Authorized — 10,000,000 shares of a par value of 40c each	
Deposits	887,647	Issued — 6,634,500 shares (1967 — 6,382,000 shares)	
Organization expenses	971,693	Paid-in surplus	
			2,653,800
			4,281,352
			2,552,800
			2,885,452
			6,935,152
			5,438,252
			3,324,061
			4,186,839
			2,114,191
			3
COMMITMENT (Note 6):			
	\$ 5,652,076		
	\$ 3,870,405		
On behalf of the Board:			
T. L. BROOK, Director.			
S. P. KING, Director.			

AUDITORS' REPORT

To the Shareholders of
Asamera Oil Corporation Ltd.

We have examined the consolidated balance sheet of Asamera Oil Corporation Ltd. and its subsidiaries as at March 31, 1968 and the statements of consolidated profit and loss and deficit, paid-in surplus and source and application of funds for the year ended on that date. Our examination of the financial statements of Asamera Oil Corporation Ltd. (the parent company) was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We have relied on the reports of the auditors who have examined the financial statements of the subsidiaries.

In our opinion, the statements mentioned above present fairly on a consolidated basis the financial position of Asamera Oil Corporation Ltd. and its subsidiaries as at March 31, 1968, the results of their operations and the source and application of their funds for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Calgary, Canada.

June 21, 1968

(See accompanying notes)

ASAMERA OIL
CORPORATION LTD.

STATEMENT OF
CONSOLIDATED PROFIT
AND LOSS AND DEFICIT

FOR THE YEARS
ENDED MARCH 31,
1968 AND 1967

	1968	1967
Sales of refined products, crude oil, etc.	\$ 4,753,610	\$ 4,012,839
Cost of sales	4,196,202	3,526,611
 Gross profit	 557,408	 486,228
Share of income from Indonesian oil sales (Note 3)	469,674	469,674
Sundry income	61,075	45,178
	 1,088,157	 531,406
 Expenses:		
General and administrative net of amounts recovered	371,863	408,591
Interest and exchange	19,835	14,392
Interest on long term debt	14,540	18,860
	 406,238	 441,843
 Profit before the following	 681,919	 89,563
 Deduct:		
Provision for depreciation	61,787	86,125
Provision for depletion	9,824	13,410
Amortization of deferred charge	34,560	34,560
	 106,171	 134,095
 Net profit (loss) for the year (Note 7)	 575,748	 (44,532)
Deficit at beginning of year	3,324,061	3,279,529
 Deficit at end of year	 \$ 2,748,313	 \$ 3,324,061

STATEMENT OF
CONSOLIDATED
PAID-IN SURPLUS

FOR THE YEARS
ENDED MARCH 31,
1968 AND 1967

	1968	1967
Balance at beginning of year	\$ 2,885,452	\$ 2,881,952
Premium on shares issued (Note 5)	1,395,900	3,500
Balance at end of year	 \$ 4,281,352	 \$ 2,885,452

(See accompanying notes)

ASAMERA OIL
CORPORATION LTD.

STATEMENT OF
CONSOLIDATED SOURCE
AND APPLICATION OF FUNDS

FOR THE YEARS
ENDED MARCH 31,
1968 AND 1967

Source of funds:	1968	1967
Provided by Union Texas Indonesia Ltd. for exploration and development in Indonesia (Note 3)	\$ 828,178	\$ 1,734,753
Net profit for the year before non-cash items	681,919	89,563
Indonesian expenditures recovered from production proceeds	600,425	
Issue of shares of capital stock	1,496,900	5,500
Other	3,562	23,842
 Total funds provided	 3,610,984	 1,853,658
 Application of funds:		
Indonesian exploration and development costs	1,722,186	1,734,753
Additional interest in Permina Agreement (Note 3)	1,462,500	
Long term debt	172,974	188,007
 Total funds applied	 3,357,660	 1,922,760
 Increase (decrease) in working capital	 \$ 253,324	 \$ (69,102)

NOTES TO CONSOLIDATED
FINANCIAL STATEMENTS

March 31, 1968

1. Principles of consolidation

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Flank Oil Co. (a United States company) and Asamera Oil (Indonesia) Ltd. (a Bermuda company). The accounts of the subsidiaries have been converted to Canadian dollars on the following basis: current assets and liabilities at the rates of exchange at the year end, fixed and other assets at the rates in effect at dates of acquisition and expenses and revenue at the average rates of exchange for the year.

In 1967 and prior years the assets, liabilities and earnings of Flank Oil Co. were included in the consolidated financial statements on the basis that one United States dollar is equal to one Canadian dollar. The change in method of converting the accounts of Flank Oil Co. did not have a material effect on the current financial statements and no material difference would have resulted if the present method had been used in previous years.

2. Fixed Assets

The companies' investment in property, plant and equipment consists of the following:

	1968	1967
Land	\$ 282,129	\$ 287,051
Buildings	512,928	512,411
Equipment	1,626,981	1,639,268
Producing properties and well costs	257,412	257,412
Non-producing properties	40,315	40,293
 \$ 2,719,765	 \$ 2,736,435	

3. Indonesia

The Company, through Asamera (Indonesia) Ltd., holds a 60% interest in an agreement it arranged with P. N. Permina, a State Enterprise of the Republic of Indonesia, for the joint exploration and development of certain areas on the Island of Sumatra. A 10% interest was acquired during the year from another participant in exchange for 225,000 shares of the Company's capital stock valued at \$1,462,500.

In a prior year Asamera Oil (Indonesia) Ltd. sold a 30% interest in the agreement to Union Texas Indonesia Ltd. for \$625,000 U.S. cash and the assumption of Asamera's share of the cost of future exploration and development costs under the Permina agreement to a maximum amount of \$2,375,000 U.S., payment of which was completed by Union Texas during the year. Union Texas also holds an option exercisable to September 11, 1968 to acquire a further 10% interest in the agreement from Asamera for \$2,500,000 U.S. payable in cash or out of production depending on the date of exercise.

ASAMERA OIL CORPORATION LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(continued)

Under the terms of the Permina agreement, amounts expended by Asameria (Indonesia) Ltd. and the other participants on exploration, development, equipment, technical personnel, etc. are recoverable out of 40% of the proceeds of production; the remaining 60% of the proceeds are allocated 60% to Permina and 40% to the participants. The expenditures recoverable by the Company from 40% of the proceeds of production are substantially in excess of the amount carried in the Company's accounts, chiefly because of expenditures made on its behalf by other participants.

A summary of the carrying value of the recoverable expenditures is as follows:

	Balance at March 31, 1967	Incurred during year ended March 31, 1968	Balance at March 31, 1968
Shares of capital stock issued for services, petroleum rights and interest in Permina agreement	\$ 828,000	\$ 1,462,500	\$ 2,290,500
Expenditures for exploration, development, equipment, etc.	2,980,007	1,722,186	4,702,193
Deduct:			
Proceeds of sale of interests in agreement, etc.	683,469		683,469
Amounts expended on behalf of the Company by Union Texas (Indonesia) Ltd.	1,734,753	828,178	2,562,931
Recovered from 40% proceeds of production		600,425	600,425
	2,418,222	1,428,603	3,846,825
Total	\$ 1,389,785	\$ 1,756,083	\$ 3,145,868

To March 31, 1967 Asameria Oil (Indonesia) Ltd. followed the practice of deferring all costs incurred on the Indonesian venture net of amounts received pending the receipt of production revenue in commercial quantities. During the current year, oil was produced in commercial quantities and accordingly, effective April 1, 1967, the Company's share of income from Indonesian oil sales has been included in profit and loss.

4. Long Term Debt

The 3% Mortgage Note of Flank Oil Co. is secured by a mortgage on Flank's property and equipment and is repayable in principal amounts of \$15,000 U.S. per month.

5. Capital

During the year 225,000 shares of capital stock valued at \$1,462,500 were issued on the acquisition of an additional 10% interest in the Indonesian agreement (see Note 3) and 27,500 shares for \$34,400 cash were issued on the exercise of stock options. Of the total consideration, \$101,000 was credited to share capital and the balance, \$1,395,900, to paid-in surplus.

At March 31, 1968, 170,000 shares of the Company's capital stock were reserved under an Employee Stock Option Plan and options have been granted under the Plan to purchase shares as follows:

June 16,1965 — 10,000, shares at \$1.51½ per share exercisable on various dates to June 16, 1970.
January 10, 1967 — 50,000 shares at \$3.62½ per share exercisable on various dates to January 10, 1972.
April 11, 1967 — 10,000 shares at \$3.70 per share exercisable on various dates to April 11, 1972.

6. Commitment

Asameria Oil (Indonesia) Ltd. has entered into a further agreement with P. N. Permina to explore and develop acreage adjacent to that covered in its present agreement (see Note 3) and in this connection has agreed to expend a minimum of \$2,100,000 U.S. commencing September 1, 1967 in annual instalments of \$300,000, \$600,000 and \$1,200,000.

7. Income taxes

Under the terms of the agreement with P. N. Permina (see Note 3) no Indonesian taxes or charges are exigible against income resulting from the Indonesian operations. No income taxes appear to be payable in respect of Canadian and United States operations as a result of the carry forward for income tax purposes of losses incurred in prior years.

8. Remuneration of directors

Remuneration paid to directors, including fees and salaries amounted to \$89,345.

16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	No person has shareholdings large enough to materially affect control of the Company. However, Mr. T. L. Brook as head of management is in a position to affect control provided management is able to obtain proxies from a majority of shareholders.
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	Not applicable.
18. Brief statement of any lawsuits pending or in process against company or its properties.	Not applicable.
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	The Company is a party to contracts and agreements with respect to its Canadian interests and with respect to its United States and Indonesian operations through subsidiary companies.
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	No shares of the Company are in the course of primary distribution by the Company.

CERTIFICATE OF THE COMPANY

DATED August 6, 1968

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"T.L. Brook"
"G. Olmstead"

T. L. Brook CORPORATE
SEAL
T. L. Brook, President
Glen G. Olmstead
Glen G. Olmstead, Secretary-Treasurer

CERTIFICATE OF UNDERWRITER OR OPTIONEE Glen G. Olmstead,
Secretary-Treasurer

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

